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Operational activities of the United Nations for international development cooperation: progress report on the implementation of the triennial comprehensive policy review

Operational activities of the United Nations for international development cooperation

Progress in the implementation of General Assembly resolution 56/201

Report of the Secretary-General**

Summary

The present report responds to paragraph 96 of General Assembly resolution 56/201, in which the Assembly requested the Secretary-General to prepare a comprehensive analysis of the implementation of the resolution and to formulate appropriate recommendations for the consideration of the Economic and Social Council. Progress is reviewed in relation to issues for which significant developments have been detected. It is assessed in the current context of the world economy and the commitments and goals of the United Nations Millennium Declaration, and with a view to establishing a single overarching policy framework for United Nations system support to national development efforts. Addenda to the present report review statistical data on operational activities for development for the year 2000 (E/2002/47/Add.1), and the management process for the implementation of General Assembly resolution 56/201, paragraph 94 (E/2002/47/Add.2). The report should be read in conjunction with the reports of the Secretary-General on United

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Nations system support for capacity-building (para. 28 of General Assembly resolution 56/201) (E/2002/58), on simplification and harmonization of rules and procedures for operational activities for development (paras. 57-65 of General Assembly resolution 56/201) (E/2002/59) and on assessing the effectiveness of the operational activities for development of the United Nations system (para. 53 of General Assembly resolution 56/201) (E/2002/60).

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I. Introduction

1. The present report responds to the provisions of paragraph 95 of General Assembly resolution 56/201 on the triennial comprehensive policy review of operational activities for development, in which the Assembly invited the Economic and Social Council to evaluate the implementation of that resolution at its substantive sessions of 2002 and 2003. Accordingly, the report contains a review of progress in the implementation of resolution 56/201 in relation to relevant issues, in particular in areas for which significant developments have been detected. Comprehensive statistical data on operational activities for development for the year 2000, updating the relevant information provided for the 2001 triennial review, is contained in an addendum (E/2002/47/Add.1). The management process for the implementation of General Assembly resolution 56/201 (para. 94), indicating the main actions that the system will promote to implement the resolution, is contained in a further addendum (E/2002/47/Add.2). The management process was prepared in consultation with the entire system and is presented as an integrated and comprehensive process, including targets, benchmarks and time frames.

2. The present report should be read in conjunction with the following reports:

(a) Report of the Secretary-General on United Nations system support for capacity-building (E/2002/58), which contains a review of the efforts undertaken by system organizations on capacity-building, prepared in response to paragraph 28 of General Assembly resolution 56/201;

(b) Report of the Secretary-General on simplification and harmonization of rules and procedures for operational activities for development (E/2002/59), prepared in response to paragraphs 57 through 65 of the same resolution (see also sect. III.C below);

(c) Report of the Secretary-General on assessing the effectiveness of the operational activities for development of the United Nations system (E/2002/60), which contains the Secretariat's response to paragraph 53 of resolution 56/201, concerning strengthening the modalities for and enhancing the approach to the overall assessment of the effectiveness of operational activities for development of the United Nations system and of the functioning of the United Nations development system at the country level.

II. Background and context

3. The present report is the first report on operational activities since the 2001 triennial review, which resulted in the adoption of General Assembly resolution 56/201, and was conducted at a critical time. United Nations development cooperation is increasingly charged with new responsibilities, including supporting developing countries in achieving higher development goals while adjusting to a continuously changing world and assisting them in coping with the effects of the current slowdown of the world economy. By providing the system with a single overarching policy framework for its support to national development efforts, the Millennium Summit of the General Assembly was a fundamental development for the 2001 triennial review. That common framework is currently at the core of discussion in United Nations system organizations and inter-agency mechanisms, in particular the United Nations Development Group (UNDG) and, at the system-wide level, the United Nations System Chief Executives Board for Coordination (CEB). Overall approaches, system-wide strategies, country programmes and individual initiatives are being reviewed on the basis of that framework. The coherent sets of policies, objectives and time-bound targets identified in the United Nations Millennium Declaration reinforced the need for a stronger and more coordinated role of the United Nations system in development cooperation, based on the recognition that ultimate responsibility for the country-level implementation of those goals and determining their relationship with national priorities rests with the countries themselves and their Governments.

4. The operational activities segment of the substantive session of 2002 of the Economic and Social Council will take place in a climate of urgency, constructive engagement and renewed resolve of the entire international community to eradicate poverty, achieve sustained economic growth and promote sustainable development. The most recent manifestation of that commitment is the Monterrey Consensus, adopted by the International Conference on Financing for Development in March 2002. The Consensus confirms the will of the international community to address the key challenge of financing development and in that respect represents a significant achievement, especially given the current critical phase of the economic cycle. It is an important integral part of a wide-ranging participatory process aimed at identifying ways to mobilize resources and achieve the national and

international conditions to fulfil internationally agreed development goals. The millennium development goals, set out in the Millennium Declaration, have become a powerful driving force of a renewed effort to mobilize financial resources for development, not only from traditional sources but also through innovative channels.

5. The significance of the above-mentioned Conference goes beyond the specific contents of the Monterrey Consensus. The Conference has created a new political space for the dialogue among development partners, on which the Council should build at its operational activities segment. The Council should draw on the renewed determination by all members of the international community — Governments, donors and recipients, international organizations, the private sector, civil society organizations — to stay engaged in and share responsibilities for mobilizing private and official financing for development, while renewing their commitment to the implementation of the millennium development goals. The Council should build on the "spirit of Monterrey" based on partnership, solidarity and good governance, and the new momentum generated by the Conference to ensure that both Member States and United Nations system organizations continue along the path of engagement, innovation and action in reinforcing the operational activities of the United Nations system.

6. The upcoming World Summit on Sustainable Development, to be held in Johannesburg — whose preparation builds on national consultations and subregional and regional preparatory meetings — should reinforce that participatory spirit, renew the commitment of the United Nations system and the international community to partnership, solidarity and good governance, and in particular guide their operationalization. From Monterrey to Johannesburg, a new partnership is emerging between donor and recipient countries and with all the other stakeholders in the development process. There is an unprecedented opportunity to find new answers through a more collaborative approach to development challenges.

7. The same spirit of partnership animated the triennial review in 2001, which is fully reflected in General Assembly resolution 56/201. Linked with that spirit is the notion of country ownership, which represents a key point of the resolution. The resolution raised other important issues, such as the need to strengthen the relationship between public and private partners, between domestic and international resources, and between aid agencies and non-governmental organizations, and the need to focus on the link between aid and trade issues, all issues which were pursued in Monterrey and should be further advanced in Johannesburg.

8. In resolution 56/201, the General Assembly emphasized the following points in particular:

(a) National ownership of the United Nations operational activities for development is a fundamental requirement and calls for their closer integration with national priorities and plans and for full participation, leadership and coordination by national Governments;[1]

(b) International commitments, goals and targets reflected in the Millennium Declaration and the outcomes of major global conferences are relevant at the country level, and require the entire United Nations system to assist Member States in their implementation;[2]

(c) United Nations development cooperation should be participatory and country-driven;

(d) Efforts for the rationalization and enhanced functioning of the United Nations development system at the country level should be intensified, with the aim of optimizing synergies and coherence within the system and its organizations.[3]

9. The present report and the other three submissions to the Council that complement it (E/2002/58-60) are intended to assist Member States in preparing for the first progress review of the implementation of General Assembly resolution 56/201. While the reports focus on selected issues in conformity with the reporting requirements of the resolution, it is hoped that the Council's review will be undertaken in the same spirit of urgency, reciprocal commitment and participation that characterized the Monterrey Conference and the preparation of the Johannesburg Summit.

10. Optimizing the contribution of the operational activities of the United Nations system as instruments for development and the implementation of the millennium development goals requires: (a) the availability of the required level and quality of resources to sustain them, especially in those areas where system organizations have a strong mandate; and (b) the intensification of efforts to improve the capacity of recipient countries to make the most effective use of the external assistance received from the system. New partnerships among development partners in general and within the United Nations system in particular should reflect a renewed commitment by the international

community to assist developing countries to build their capacity to achieve development (see E/2002/58).

11. The quality of official development assistance (ODA) — an issue that received a great deal of attention in Monterrey — points to improvements in coordination and effectiveness, in supporting the capacity development of recipient countries and in the distribution of external assistance among countries and within countries. The actions required to achieve progress in all those respects are detailed in General Assembly resolution 56/201. The adequacy of resources for operational activities and their effective and efficient use are closely related and should be underpinned by stronger coordination within the United Nations system.

12. Rationalization and increased effectiveness of operational activities have been recurrent themes of the Secretary-General's reports on operational activities. In 2002, in reviewing the progress being made, the Council may wish to focus on the initiatives being undertaken to enhance field-level coordination, e.g., in the areas of the common country assessment and UNDAF, the simplification and harmonization of rules and procedures (see also E/2002/59), relations with Bretton Woods institutions, and the overall evaluation of the effectiveness of the operational activities for development (see E/2002/60) (for details on the actions planned and targets set to pursue the implementation of those and other aspects of General Assembly resolution 56/201, see E/2002/47/Add.2). An important concern that should underlie the Council's review of the follow-up to the resolution should be to advance a participatory approach to operational activities, engaging the national societies of recipient countries and including all components of the United Nations system, especially country representatives and other international development partners, both multilateral and bilateral.

13. Future progress reviews will pursue and deepen the analysis of other aspects of the implementation of General Assembly resolution 56/201. Funding of operational activities and lessons learned from evaluation activities will be further addressed in 2003. Implementation and enhancement of the common country assessment and UNDAF and their harmonization with other nationally owned schemes, including poverty reduction strategy papers, will be the focus of reporting in 2004.

14. The increases in foreign aid announced by donor countries in Monterrey are encouraging signs that developing countries, taking primary responsibility for their own development, can count on the support and solidarity of the international community. The operational activities for development of the United Nations system, through their intensification and enhanced effectiveness, are a key strategic component of the new result-oriented global partnership for development and an essential instrument for transmitting to the country level the new spirit of partnership and innovation that the millennium consensus has generated. The Council has a key role in guiding progress in those directions.

III. Implementation of General Assembly resolution 56/201

A. Funding for United Nations operational activities for development

15. In response to General Assembly resolution 56/201, the Council will give further attention at its substantive session of 2003 to progress made on funding the development cooperation activities of the United Nations system (see General Assembly resolution 56/201, para. 27) and the outcome of the fifty-seventh session of the General Assembly[4] on a review of alternative options to the current pledging modality. That review will consider the funding sessions under the multi-year funding frameworks, the needs of other United Nations system agencies, appropriate timing of the pledging events, and options to enhance public support for United Nations operational activities for development. The Assembly has recognized that core resources are the bedrock of operational activities of the United Nations system, inter alia, because of their untied nature (see General Assembly resolution 56/201, para. 14), and should be made available on a predictable, continuous and assured basis. Since those issues will be analysed in 2003, the present report will only give an update of the information provided at the 2001 review.

16. The decline of both ODA and share of multilateral organizations in it has affected operational activities of the United Nations system in many countries. Core resources for operational activities either stagnated or declined in real terms in 2000, particularly for UNDP. Statistics show a decline in core resources to UNDP from a record high of $1,074 million in 1992 to a record low of $634.1 million in 2000. In 2001, however, there was an

upturn in funding for UNDP to $651.0 million. Despite the slight increase to $256.4 million in 2000 from $244.1 million in 1999, the core contribution to UNFPA (see E/2002/47/Add.1, table A-1) is still much lower than the $337 million contributed in 1997. United Nations Children's Fund (UNICEF) core resources have also increased from $585.9 million in 1999 to $596.7 million in 2000. Moreover, there is a trend towards increased earmarked funding. The estimates for 2001 cannot be overoptimistic either, since overall expenditures on operational activities are stagnant. The United Nations system development grants increased from $6 billion in 1999 to $6.5 billion in 2000, mostly because of the $0.5 billion increase in grant assistance of specialized and technical agencies (see E/2002/47/Add.1, tables B-1 and B-4) from extrabudgetary sources. It is too early to assess the impact of the Monterrey Conference and the encouraging commitments by several donors to reverse the trends of ODA and the funding of operational activities for development of the United Nations system. The report to the Council at its substantive session of 2003 would be a more appropriate occasion for such an assessment.

B. Strategic frameworks and programming: common country assessment and United Nations Development Assistance Framework

17. In resolution 56/201, the General Assembly recognizes that although progress has been made since the introduction of the common country assessment and UNDAF, there is still a need to continue to improve their preparation and quality. In paragraph 33 of the resolution, the Assembly noted the need to implement the recommendations of the external evaluation of the common country assessment and UNDAF as reflected in the report of the Secretary-General (A/56/70-E/2001/58) and the recommendations of the report of the Secretary-General (A/56/320) on formulating and implementing those instruments in the future. In paragraph 34 of the resolution, the Assembly requested that the common country assessment and UNDAF processes support national development priorities and policies, and stressed that government participation and leadership is required at all stages.

18. At present, 101 common country assessments and 53 UNDAFs have been completed, while 32 common country assessments and 28 UNDAFs are still in progress. A new round of UNDAFs is planned to start in 2002 in five countries which recently harmonized their programming cycles (Benin, Ecuador, Kenya, Madagascar and Pakistan).

19. For the UNDAFs that will be prepared in the next three years, harmonized approval processes will apply for the United Nations Development Programme (UNDP) and the United Nations Population Fund (UNFPA). At the session of its executive boards held from 21 to 25 January 2002, UNICEF decided to develop the country note for its country programmes on the basis of national plans and priorities, and within the framework of the common country assessment and UNDAF. The World Food Programme (WFP), which supports the principles of harmonization and simplification, is also considering revising its programme approval procedures.

20. The overarching objective of the UNDG work plan of 2002,[5] endorsed by UNDG at its meeting of 5 February 2002, is to increase the overall quality and effectiveness of country-level coordination, which places a greater emphasis on the quality and effectiveness of the common country assessment and UNDAF. UNDG focused its priorities for 2002 on strengthening the common country assessment and UNDAF processes, implementing the provisions of resolution 56/201.

21. Among the key actions planned by UNDG is the revision of the common country assessment and UNDAF guidelines, which is currently under way, to integrate lessons learned from their recent evaluation, facilitate higher quality and effectiveness of country-level programming, foster an integrated approach to coordination on selected substantive development priorities, strengthen the focus on the commitments, goals and targets of the Millennium Declaration and take into account conflict prevention aspects of development cooperation. The UNDG task force in charge of the revision was to finalize the new guidelines in spring 2002 after system-wide consultations, consultations with Governments and with other external partners. The guidelines are expected to foster greater national ownership and participation and facilitate greater participation and coordination within the United Nations system and with a great variety of national partners and stakeholders, including bilateral and multilateral donors, civil society, the private sector and non-traditional partners, as preconditions for ensuring high quality and country-level relevance. The new

Common country assessment/United Nations Development Assistance Framework, progress by region, as of 21 March 2002

Region	*Common country assessment*			*United Nations Development Assistance Framework*		
	Number of countries	*Completed*	*In progress*	*Completed*	*In progress*	*United Nations country teams trained*
Africa	44	41	9	27	7	33
Asia and the Pacific	24	14	9	8	5	15
Arab States	16	9	2	4	5	7
Latin America and the Caribbean	25	22	5	8	9	9
Europe and the Commonwealth of Independent States	22	15	7	6	2	15
Total	**131**	**101**	**32**	**53**	**28**	**79**

Source: United Nations Development Group Office.

guidelines will support the preparation of UNDAFs in five countries (Benin, Ecuador, Kenya, Madagascar and Pakistan) that will have harmonized programming cycles starting in 2002.

22. The revision of the guidelines is also accompanied by a revision of the training support to country teams. An updated learning package will be finalized at the end of April 2002 to include enhanced learning methodologies and upgraded capacity of a selected pool of trained resource persons/team builders. The new training module focuses on anti-poverty strategies, team building and the Millennium Declaration, and will benefit from support from other modules (such as poverty, human rights, HIV/AIDS and gender). To date, 79 country teams have already been trained. The updated and upgraded training support will benefit country teams in the 15 programme countries which will be preparing a common country assessment and UNDAF in the next three years.[6]

23. A high-quality analytical content of the common country assessment could turn it into a powerful tool for national policy dialogue and consensus-building on development challenges and priorities, and for building national analytical and statistical capacity, in particular the capacity to monitor progress towards the achievement of national goals, including internationally agreed standards. By the same token, UNDAF could become an important input to national policy formulation, development planning, and implementation and coordination of external assistance (see General Assembly resolution 56/201, para. 39). In particular, it could provide an opportunity to facilitate the further integration of United Nations system programmes with national strategies and plans, increasing country-level coherence and facilitating strategic partnerships among all development actors.

Recommendation 1

24. **Since both the common country assessment and UNDAF have created favourable conditions for joint programming and efforts have multiplied to promote joint initiatives, programmes, mid-term reviews and other evaluation efforts, the Council may wish to encourage the organizations of the United Nations system to continue those efforts with the objective of creating greater synergies with the Governments of recipient countries and other development partners on development programming and activities and integrating them with national planning, programming, monitoring and evaluating, in accordance with the programme approach.**

Recommendation 2

25. **The Council may wish to request United Nations funds, programmes and specialized agencies to give more attention to ensuring the integration of their operational activities for development with national development efforts, including through the identification of concrete initiatives, that stimulate active and full government participation and**

leadership at all stages of the common country assessment and UNDAF processes, as well as broader inclusion of the other development partners. The Council may also take note that that may entail increasing the technical capacity of country teams to engage national stakeholders and development partners, through specific consultations, methods and techniques and through information and communication technologies, as well as increasing the technical profile of country teams by tapping into the capacity available within the system, making it more easily accessible to country teams.

C. Field-level coordination

1. Simplification and harmonization of rules and procedures for operational activities for development

26. In paragraph 9 of its resolution 56/201, the General Assembly recognized that the complexities and the diversity of procedural requirements place an enormous burden on recipient countries and United Nations system organizations. The Assembly called for further reforms for simplifying and harmonizing rules and procedures as indicated in section VI of the resolution (paras. 57 through 65).

27. The General Assembly urged the funds, programmes and specialized agencies of the United Nations system to put in place specific measures and timetables to make progress in this area, reporting to their governing bodies (see General Assembly resolution 56/201, para. 64), and called for further steps in a number of areas (see General Assembly resolution 56/201, para. 64): decentralization and delegation of authority; financial regulations; procedures for implementing programmes and projects, in particular requirements in terms of monitoring and reporting; common shared services in country offices; and recruitment, training and remuneration of national project personnel. A specific request was addressed to the funds and programmes, who were asked to prepare a programme of work with measures in the same areas, as indicated in paragraph 61 of General Assembly resolution 56/201, to be submitted to the Council. Those specific reforms should be implemented by the year 2004. Funds and programmes are currently preparing that programme of work.

28. A separate report, with policy recommendations, devoted exclusively to this topic, is before the Council (see E/2002/59). That report refers to the programme of work being prepared by the funds and programmes, which will be made available to the Council as a conference room paper, together with the consolidated list of issues which the funds and programmes prepare, in consultation with UNDG, in pursuance of paragraph 4 of Council resolution 1998/27.

2. Strengthening the resident coordinator system

29. The General Assembly recognized, in paragraph 66 of its resolution 56/201, that the resident coordinator system has a key role to play for the effective and efficient functioning of the United Nations system at the country level and for the coordination of operational activities, and called upon United Nations funds, programmes and specialized agencies and the Secretariat to provide support to it. A United Nations country coordination fund was recently established, which complements the special resident coordinator fund in enabling the resident coordinators and their country teams to improve field-level coordination.

30. The General Assembly also requested (see General Assembly resolution 56/201, para. 67) the United Nations system to continue strengthening the mechanism to select, train and appraise the performance of the resident coordinators. An assessment centre[7] was engaged to screen potential candidates for resident coordinator vacancies and to ensure that qualified candidates have the right skill profile before they are put on the roster. Initiatives were taken to review the competency assessment process, ensure its neutrality and make further improvements. The Inter-Agency Advisory Panel strived to ensure that the competency assessment exercise does not favour candidates from UNDP over those from other organizations, or candidates with earlier experience with the United Nations system over those with relevant experience acquired outside the system, or a candidate from the North over candidates from the South, as well as to ensure gender and cultural sensitivity in the process of assessment. Efforts have also begun to accommodate candidates speaking United Nations official languages other than English.

31. Some 196 candidates have been assessed since October 1998. All roster candidates and newly appointed resident coordinators have taken the

competency assessment. The centre has started to assess sitting and former resident coordinators. It is expected that all sitting and former resident coordinators will go through the competency assessment by the end of 2003, except for those who are due to retire.

32. Special measures were adopted to recruit women candidates for resident coordinator posts.[8] UNDG organizations agreed to submit men and women candidates on a 50/50 ratio for the assessment. As of the end of February 2002, 18 sitting resident coordinators are from United Nations agencies other than UNDP and 35 are women, including six currently designated. Given the fact that the total number of resident coordinator positions is 140, there is still room for improvement.

33. The three-dimension[9] performance appraisal system has been continuously improved. The multi-rater assessment, which was called earlier the "180-degree feedback exercise", is an important aspect of the appraisal system and is being implemented in 10 pilot countries.[10] The pilot phase of the multi-rater assessment will be completed in June 2002.

34. In resolution 56/201, the General Assembly emphasized the need for the participation of the entire United Nations system in the resident coordinator system, involving specialized agencies, small technical agencies, regional commissions and organizations with no country representation (paras. 69 and 73). In the same resolution, the General Assembly also called for greater interaction of the resident coordinator system with the international financial institutions and other development partners (para. 70) and with national partners (Governments, civil society and other national stakeholders (para. 71). Greater participation of all relevant development partners in the resident coordinator system has proven to be an important condition for an effective coordination at the country level and better use of the potential contributions from all United Nations system organizations.

35. Theme groups proved to be key vehicles for country-level coordination, particularly when there is a direct involvement of all development partners, including national Governments, the World Bank, the civil society and bilateral donors.[11] Theme groups on HIV/AIDS, gender, rural development, food security and education are present in a great majority of programme countries. Country-specific themes, for instance on culture and peace, have recently emerged. The latest triennial review raised some concerns about the proliferation of thematic groups in some countries, which increases the time spent on coordination rather than on programme activities and may cause duplication and sometimes ineffectiveness (when thematic groups are not backstopped by programme-oriented action).

36. Efforts to harmonize programme cycles and collaborate in joint programmes and projects have favourably contributed to field-level coordination. The number of theme groups on joint programming and other management issues, such as common premises and services, is increasing.

37. In paragraph 69 of resolution 56/201, the General Assembly encouraged a wider use of information and communication technologies to strengthen the involvement of all potential member organizations in the resident coordinator system. UNDG has also made continuing efforts to meet the changing needs of country teams by issuing guidelines on programme issues, updating training materials and using web-based information dissemination (RCNet and Devlink), launching a virtual discussion group, the Millennium Development Goal Network (MDGNet), for the preparation of the millennium development goals reports at the country level.

38. There is still scope for further improvement. Some agencies without representatives at the field level reported difficulties in full participation in the country teams' efforts, in some cases due to lack of resources or because the perceived value added of the effort devoted to thematic groups was too limited.

3. Common premises and sharing of administrative services

39. The pursuit of common premises and the expansion of shared administrative services available to country-level representations was part of the agenda of the Secretary-General's programme of reform from the outset. Several measures were undertaken within the UNDG framework under the United Nations House programme and several common services initiatives (for details of those initiatives, see E/2002/60). A common services pilot programme was initiated in 2001 on the basis of the operational guidelines for common services implementation.

40. A total of 46 United Nations Houses have been inaugurated or designated between 1996 and December 2001, after reviewing a total of 175 proposals since 1998. Thirty cases were reviewed in 2001. A UNDG working group identified and contacted 43 countries where there might be potential for establishing a United Nations House in 2000-2001 and continued working with them in 2002 to pursue United Nations House opportunities. Moreover, the working group has been developing a model with step-by-step instructions and information to facilitate the process of establishing a United Nations House.

41. The call to take steps to develop the diffusion of common shared services in country offices is showing concrete achievements, especially in 2001, following the CCPOQ guidelines on the administrative management of the resident coordinator system. To further improve those guidelines and develop a global plan for common services implementation, UNDG has developed a common services programme, supported by the Government of the United Kingdom, which involves training of human resources in eight pilot countries and includes financial support, through a seed money initiative (for further details and policy recommendation, see E/2002/60).

4. Relations with the Bretton Woods institutions

42. In paragraphs 44 and 77 of resolution 56/201, the General Assembly encouraged, under the leadership of the Government, greater cooperation between the World Bank, the regional banks and all United Nations funds and programmes so as to increase complementarities and better division of labour on the basis of the organizations' respective mandates and comparative advantages and to ensure greater consistency and coherence of their activities and strategic frameworks with national priorities and poverty reduction strategies, including national poverty reduction strategies and poverty reduction strategy papers, where they exist.

43. In recent years, the cooperation between the Bretton Woods institutions and United Nations system organizations has been substantially extended, with greater participation in the respective strategic frameworks and instruments.[12] In 2000, resident coordinators in more than 60 countries reported coordinating activities either through the common country assessment, UNDAF, theme groups or poverty reduction strategy papers, in the sectors of health, education, environment and poverty, but also post-conflict or peace and reconciliation, government/public sector reform, and food security.

44. This trend has been facilitated by a parallel process within the United Nations system and the Bretton Woods institutions of sharpening the focus of their activities on poverty reduction increasingly centred on common development goals. The millennium development goals have created new opportunities for convergence on goals and principles and coordination of action. In 2001, as part of the preparation of the Secretary-General's report on the follow-up to the outcome of the Millennium Summit (A/56/326), consultations were held among members of the United Nations Secretariat and representatives of the International Monetary Fund (IMF), the Organisation for Economic Cooperation and Development (OECD) and the World Bank in order to harmonize reporting on the development goals in the Millennium Declaration and the international development goals.

45. The challenge lies in translating that greater convergence of both the United Nations system and the World Bank around priorities in their respective country programmes, coordination strategies and partnerships, while upholding the principles of national ownership, capacity development and reduction of transaction costs, as well as the need to enhance their results-oriented focus. Significant steps are required towards the harmonization and simplification of their respective programming procedures, leading to the optimization of resources and skills.

46. The added value of institutional strategic instruments, such as the common country assessment, UNDAF and poverty reduction strategy papers, will ultimately depend on the extent to which they support the quality and process of national planning and management. A review of the poverty reduction strategy papers instrument, currently being prepared in 60 low-income countries,[13] was completed in March 2002 drawing on contributions from member countries, United Nations system organizations and other international agencies, various aid providers, and civil society.[14] The review reveals a broad consensus between the Bretton Woods institutions and the United Nations system on the importance of country ownership and broad-based participation for the successful formulation of national poverty reduction strategies, and highlights the need for a flexible and

country-driven approach which takes into account country capacity constraints and utilizes and builds on local capacities.

47. The review stressed the need to move away from ad hoc consultations to more institutionalized forms of dialogue and align donor processes and programmes with countries' national poverty reduction strategies embodied in the poverty reduction strategy papers when the countries are involved in them, facilitating greater government leadership over external assistance and more effective donor coordination.

48. In order to support the poverty reduction strategy papers process at the country level and to draw relevant joint learning experiences, a set of multi-country and multi-agency learning events have taken place, co-sponsored by the World Bank and United Nations partners.[15] This ongoing effort has been complemented since early 1999 by an informal United Nations-World Bank poverty reduction strategy papers learning network, whose objective is to track collectively the implementation of the poverty reduction strategy papers principles, particularly as they relate to the common country assessment and UNDAF, favouring information exchange and a joint review of lessons learned. A day-to-day collaboration takes place on the ground, led by Governments, with diverse leadership roles by system agencies and the Bank. The broad scope of issues and processes involved requires more effective dialogue at country, regional and headquarters levels. One of the UNDG priorities for the year 2002 is to review the recent experience of the United Nations system with the poverty reduction strategy papers process and identify ways to move forward.

49. The United Nations system and UNDG, in particular, have placed a strong emphasis on the dialogue with the World Bank and IMF on the poverty reduction strategy papers and on the contribution that such dialogue can make collectively, both in terms of substance and process, to the formulation and implementation of poverty reduction strategy papers.

50. The United Nations system is increasingly involved in supporting national poverty reduction strategy papers, particularly in the context of the common country assessments and UNDAF. In November 2001, UNDG prepared a guidance note to the country teams on the support to the poverty reduction strategy papers process, based on country-level experience,[16] detailing how such tools as the common country assessment and UNDAF can relate to and can be applied to support the poverty reduction strategy papers process.

51. In revising the guidelines for the formulation of common country assessments and UNDAF (see sect. III.B above), UNDG — consistently with paragraph 44 of General Assembly resolution 56/201 — is promoting, under the leadership of Governments, greater consistency between strategic frameworks developed by the United Nations system and the Britain Woods institutions and the national poverty reduction strategies, including the poverty reduction strategy papers. The common country assessment is expected to become a useful contribution to the analysis and formulation of national development strategies and plans, including poverty reduction strategies, from which both UNDAF and the country assessment strategy of the World Bank derive.

Recommendation 3

52. **The Council may wish to note with appreciation the continuing progress towards closer cooperation between the United Nations system and the Bretton Woods institutions, and to recommend strengthening those efforts, in particular in support of national poverty reduction strategies and other nationally owned growth and development policies.**

Recommendation 4

53. **The Council may wish to encourage the United Nations system organizations and the Bretton Woods institutions to multiply their efforts to ensure that greater consistency be established between the common country assessment and UNDAF and poverty reduction strategy papers, where they exist, in the pursuance of greater integration with national development planning.**

D. Gender mainstreaming of operational activities

54. In resolution 56/201, the General Assembly called for renewed and accelerated efforts in gender mainstreaming in operational activities, in particular in support of poverty eradication, and encouraged the empowerment of women as a top priority. United Nations system organizations continue their efforts to ensure a gender perspective in their strategies,

programmes and through capacity-building initiatives, providing training and skill development opportunities to increase the capacity of staff to reflect a gender perspective in their work, and put in place appropriate instruments to increase monitoring and accountability.[17] UNICEF's medium-term strategic plan (2002-2005) ensures that gender perspective is mainstreamed in the programme guidelines. WFP is in the process of developing a new gender strategy for the period 2003-2007. UNFPA has revised its guidelines entitled "UNFPA support for mainstreaming gender issues in population and development programmes" (for more details, see E/CN.6/2002/2). Knowledge networks have been established or expanded to draw on the existing tools to promote gender equality and best practices. WomenWatch continues to be an important portal to United Nations gender resources and is sponsored by an increasing number of agencies.

55. Support to country-level activities on gender equality has been strengthened. Such mechanisms as thematic groups, common country assessments and UNDAFs provide opportunities to mainstream gender in programme and policies. The Inter-Agency Network on Gender Equality's task force substantively contributed to the common country assessments and UNDAF processes and the revision of the respective guidelines. A gender assessment of common country assessments and UNDAFs, initiated by the task force, will feed into training for country teams. An inter-agency task force on girls' education under the UNDG mechanism, provided support at the country level, in particular through a guidance note on how to promote concrete action and formulate training modules for the resident coordinator induction programme. A review of the resident coordinator's annual report conducted by the task force found that in 54 countries, joint programmes in girl's education were being implemented.

56. Inter-agency collaboration has also improved. As the executing agency of UNDP on gender issues and enhancing its collaboration with other agencies, UNIFEM acts as a catalyst to promote gender equality. UNIFEM's gender adviser programme, carried out in collaboration with UNFPA, UNDP and United Nations Volunteers in fielding gender specialists, has contributed to increasing gender expertise at the country level.

E. Regional dimensions of operational activities

57. Efforts are made to integrate the regional dimension into the common country assessment and UNDAF processes. Regional bureaux of the funds and programmes are being mobilized to support those efforts in the preparation of the common country assessment and UNDAF, collaborating through extended sharing of regional technical expertise and best practices. To incorporate more effectively the regional dimension into the overall strategy planning and implementation process is one of the top priorities of UNDG for 2002.

58. Orientation workshops on the common country assessment and UNDAF guidelines were held for staff of the secretariats of the regional commissions, in collaboration with the United Nations Development Group Office. A common conclusion from the regional workshops is that the regional commissions could contribute to the common country assessment and UNDAF processes in defining the conceptual framework on social and economic issues, comparative studies for policy implementation, development issues requiring a regional and subregional approach, and assisting in collecting country information (economic overviews, statistical data and social indicators).

59. The collaboration between the country and regional levels varies both for the preparation and implementation of the common country assessment and UNDAF. Sharing and exchanging best practices between regional commissions needs to be further explored.

60. The Economic and Social Commission for Asia and the Pacific (ESCAP) contributed significantly to the preparation of the common country assessment and UNDAF in Thailand and the Lao People's Democratic Republic.[18] The Economic Commission for Europe (ECE) used a common country assessment/UNDAF workshop as an opportunity to expose six countries in transition to its policy and technical expertise, and participated in online reviews of the common country assessment, UNDAF and poverty reduction strategy papers documents. The Economic Commission for Africa (ECA) formed a forum for systematic sharing of experience and best practices and a poverty reduction strategy papers coordinating group, for the benefit of policy makers, civil society and development partners. In November 2001, the group brought together

representatives of nine African countries (Ethiopia, Ghana, Mali, Mozambique, Rwanda, Senegal, Sierra Leone, the United Republic of Tanzania and Uganda) as well as representatives of the World Bank, IMF, the African Development Bank and UNDP, to propose strategies to enhance the usefulness of the poverty reduction strategy papers. The Economic Commission for Latin American and Caribbean Countries (ECLAC) was involved in the common country assessment formulation in Honduras, Mexico and Venezuela. The Economic and Social Commission for Western Asia (ESCWA) was involved in preparing an UNDAF in one country and extending its service and cooperation to other country teams, although with limited progress to date.

61. Human and financial resource constraints limit the involvement of regional commissions in the common country assessment and UNDAF processes since they are country-driven instruments, and the country-level absence of the regional commissions is a major factor. Substantive involvement of regional commissions is more pronounced where efforts are matched by effective initiative from resident coordinators, which implies that both the regional commissions and the resident coordinators should be more proactive in ensuring the reflection of the regional dimension in developing common country assessments and UNDAFs.

62. All regional commissions carry out operational activities to support the use of normative standards and develop the analytical capability of Member States. Their operations include advisory services, training and other forms of technical assistance and capacity-building initiatives (e.g., in statistics, development indicators, trade and transports), system development and institution-building. A stronger focus is accorded on disadvantaged countries (least developed, landlocked and island developing countries, as well as countries with economies in transition).

63. All five regional commissions focus on capacity-building. ECA's capacity-building activities regard economic and social policy analysis, trade and investment, governance, conflict prevention, information technology, gender equality and regional integration. ECLAC accepts executing agency responsibilities for national projects. ECE, in addition to assisting transition economies in complying with relevant international legal instruments and the requirements to access the European Union, facilitates partnership between transitional countries and traditional market economies. ESCAP focuses on ageing, disability, women in development, urban development, trade and investment, sustainable development and HIV/AIDS. ESCWA focuses on preparation of Member States in accessing to the World Trade Organization, and training in the areas of national account systems, water harvesting and water use, and environment.

F. South-South cooperation and technical and economic cooperation among developing countries in the context of operational activities

64. In paragraph 89 of resolution 56/201, the General Assembly reiterated the emphasis on South-South cooperation as a vehicle to support developing countries, requesting the United Nations system, in particular its funds and programmes, in particular, to enhance the role of technical cooperation among developing countries (TCDC) within their programmes. The General Assembly requested the executive boards of the funds and programmes to review the allocation of resources for TCDC activities, including the consideration of possible increases, intensifying efforts to mainstream TCDC modality in operational activities.

65. Renewed emphasis on and commitment to South-South cooperation was noted after the adoption of the Teheran Consensus[19] by the Group of 77, which stressed that technical and economic cooperation among developing countries is a top priority. Emphasis was placed on policy dialogue, human resource development, research and development, sharing of development experience and lessons, networking, institutional capacity-building, and information and communication infrastructures. An increased number of developing countries have specific agencies responsible for South-South cooperation.

66. All system organizations have TCDC focal points and many give some if not first-priority consideration to the use of the TCDC modality. Emerging trends are: (a) decentralization of operations and use of regional advisers to promote TCDC; (b) efforts to use developing country experts; (c) increase in public-private cooperation; (d) use of TCDC modality in executing regional and interregional programmes; (e) support to centres of excellence and establishment

of networks among developing-country institutions to foster TCDC; and (f) efforts to formulate programmes specifically supporting technical and economic cooperation among developing countries.

67. Triangular cooperation is gaining ground to forge effective North-South partnerships for development, as found in donor support to well established regional and subregional organizations, centres of excellence and various forms of knowledge networks.

68. UNDP remains the main organization that promotes technical and economic cooperation among developing countries. In decision DP/2001/2, the UNDP Executive Board welcomed the Administrator's efforts to enhance and mainstream TCDC within UNDP and requested reviewing, in the context of successor programming arrangements, the allocation of additional resources for activities involving TCDC, taking into account the overall resource situation in UNDP. The Special Unit for TCDC serves as the focal point for South-South cooperation throughout the United Nations system.

Notes

[1] This notion also permeated discussions at other segments of the substantive session of 2001 of the Council, including its high-level segment on support to African sustainable development (see ministerial declaration of 2001). It is also a basic concept underlying the poverty reduction strategy paper process of the Bretton Woods institutions.

[2] The road map (A/56/326) towards the implementation of the Millennium Declaration (see General Assembly resolution 55/162, para. 18) provides a guide in designing programmes and plans of the United Nations system for implementing the millennium development goals (see General Assembly resolution 56/95, para. 2).

[3] Important breakthroughs were introduced in the resolution on that rationalization, e.g., on reduction of transaction costs of operational activities, simplification and harmonization of rules and procedures, strategic instruments, such as the common country assessment and the United Nations Development Assistance Framework (UNDAF) and their relationship with national poverty reduction strategies (and poverty reduction strategy papers where applicable), strengthening of the resident coordinator system and intensifying country-level collaboration and coordination.

[4] In paragraph 26 of its resolution 56/201, the Assembly requested the Secretary-General to submit a report with options alternative to the current modality of the annual United Nations Pledging Conference for Development Activities.

[5] This objective entails: (a) a strengthened and integrated approach to coordination on selected issues; (b) support quality and effectiveness of country-level programming, focusing on the millennium development goals; and (c) support and management efficiency of field operations by accelerating the harmonization and simplification of operational policies.

[6] Benin, Kenya, Madagascar, Ecuador, Pakistan in 2002, and Botswana, Cameroon, the Comoros, Mali, Mozambique, Bolivia, India, Maldives, Djibouti and Jordan between 2003 and 2004.

[7] An independent competency assessment initiative was launched in May 1998. A steering committee, comprised of human resources specialists from several organizations of the United Nations system, supervised the organization of the competency assessments centres, which are managed, in close consultation with UNDG, by a specialized firm selected on the basis of competitive bidding. For details, see E/1999/55/Add.1, paras. 8-20.

[8] The special measures to recruit women candidates for resident coordinator posts were adopted by the Consultative Committee on Programme and Operational Questions (CCPOQ) in June 2000; all ACC (now CEB) members agreed that greater efforts should be made to identify internal candidates with good potential, including those at the P-4 level, and in the meantime external candidates should also be considered.

[9] The performance appraisal system includes the appraisal of the resident coordinators by the executive heads of CEB member organizations, the multi-rater assessment and the self-appraisal of the United Nations country teams in the annual report of the resident coordinators.

[10] Congo, Malawi, Mauritius, Cambodia, East Timor, Islamic Republic of Iran, Lebanon, Chile, Jamaica and Turkey.

[11] According to the synthesis report of the resident coordinators annual reports for the year 2000, the World Bank was involved in theme groups in more than 60 countries, governments in 59 countries, civil society in 51 countries and bilateral donors in almost 40 countries.

[12] The 2000 resident coordinator annual reports show that the World Bank was an active member of the country team in many countries, including for the definition and implementation of the country team's work plan and played an active role in the common country assessment and UNDAF processes as team leader or member of the steering committee (see reports on Guinea, Indonesia, Mauritius, Mozambique, Uganda, Viet Nam, Yemen,

Zimbabwe). Collaboration in the preparation of the country assistance strategy and links with the UNDAF are mentioned in a number of reports (Barbados, Belarus, Lebanon, Mozambique, Turkey). In general, where there is cooperation, especially when the World Bank is a member of the country team, it tends to be extensive. Noticeably, few countries reported specifically on cooperation with IMF.

[13] Since 1999, 10 countries have completed their first full poverty reduction strategy papers and three countries have completed their first annual poverty reduction strategy papers implementation progress reports. Some 42 countries have also completed their interim poverty reduction strategy papers, and seven countries have subsequently submitted their poverty reduction strategy papers preparation status reports for consideration.

[14] An international conference on poverty reduction strategy papers was held in January 2002, which brought together representatives from 60 low-income countries, their external development partners, including United Nations system organizations, and representatives of civil society to discuss their views about how to strengthen the developmental impact of the poverty reduction strategy papers approach.

[15] See forums held, respectively, in Hanoi in December 2000, for East Asian countries, in Budapest in November 2001 for Central European and Commonwealth of Independent States countries, and in Dakar in September 2001 for African countries.

[16] United Nations country teams recognize that the common country assessment and UNDAF have been catalytic in developing collaboration and partnership with the World Bank. In 2000, the majority of country teams indicated a strengthening of the partnership particularly in the context of the interim poverty reduction strategy papers and poverty reduction strategy papers and the common country assessment and UNDAF processes. Some 41 United Nations programme countries collaborated in the poverty reduction strategy papers process, while most of the resident coordinators reports highlighted complementarities between the common country assessment and UNDAF processes and the comprehensive development framework and poverty reduction strategy papers processes in support of national strategies. Country teams have often based their inputs to the poverty reduction strategy papers on their own common country assessment (see Cameroon, Kenya, Malawi, Nicaragua, Zambia). In several countries, the poverty reduction strategy papers has been built on national poverty plans developed with United Nations assistance.

[17] Gender is one of the main themes of DevLink, which serves as a useful online resource centre. A meeting of UNDP and United Nations Development Fund for Women (UNIFEM) gender focal points was held in Ecuador in October 2001 to share gender-mainstreaming tools and experience, and programme linkages are being developed to pilot experimental work.

[18] Through participation in theme groups on poverty, environment and governance, ESCAP formed a strong relationship with the resident coordinator system in Thailand, thanks to an ESCAP-led "human dignity initiative" — community-based safety nets as tools for human development and strengthening women participation in urban local governments — which was included in UNDAF.

[19] The Group of 77 adopted the Tehran Consensus at its twenty-fourth annual meeting, held from 18 to 22 August 2001; it calls for a United Nations decade for South-South cooperation and a consolidated platform to move the South-South agenda forward, focusing on building stronger Southern institutions at the global level, bridging the knowledge and information gap, building broad-based partnerships and mobilizing global support to South-South cooperation.